

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 16, 1961

Sunray Mid-Continent Oil Company
P. O. Box 128
Hobbs, New Mexico

Attention: Mr. R. E. Statton

Administrative Order PC-27

Gentlemen:

Reference is made to your application for administrative approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the commingling of the oil production from an undesignated Yates Pool and from the North Shugart Queen Grayburg Pool from all wells presently completed or hereafter drilled on your State "Y" Lease, S/2 NE/4 and NE/4 NE/4 of Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, after separately metering the production from each pool.

Authorization to commingle such production as set forth in the diagrammatic sketch accompanying the application is hereby approved pursuant to Rule 303 (b) of the Commission Rules and Regulations.

All meters shall be operated and maintained in such a manner as to ensure an accurate measurement of the liquid hydrocarbon production at all times. All meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director. All meters shall be calibrated against

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a master meter or against a test tank of measured volume and the results of such calibration shall be filed with the Commission on the Commission form entitled "Meter Test Report."

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/OEP/og

cc: Oil Conservation Commission - Artesia